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June 9, 2016

Administrator Gina McCarthy
Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Dear Administrator McCarthy,

I am writing in regards to the Renewable Fuel Standard (RFS) and biofuel produced from fiber that originates from a mixture of non-federal and federal forests. When harvested in a sustainable manner, biofuel produced from woody biomass can create local jobs, generate renewable energy, support forest restoration, and reduce greenhouse gas emissions. Additionally, cellulosic biofuel produced from woody feedstocks can play an important, scalable role in increasing biofuel production to meet RFS production mandates.

As you know, the RFS excludes material from federal forests. This has been a contentious issue, and while I understand that a primary reason for this position has been to not overly burden our federal forests, there may be some unintended consequences that are putting businesses and the environment at risk. Regulations under the Renewable Fuels Standard program allow partial Renewable Identification Number (RIN) credits for biofuel from a mixture of qualified and nonqualified renewable biomass. However, there is a lack of clarity on how the regulations should apply to forest biomass feedstock from a mixture of qualified and federal sources, even if it is only a small, incidental amount of federal biomass. For example, mill residuals often come from facilities where federal and non-federal logs are processed together. Despite the fact that the initial processing had nothing to do with the RFS, it is a challenge for biofuel produced from these mixed-origin mill residuals to qualify for RIN credits. This lack of clarity complicates the transformation of this waste stream into a value stream and keeps a waste as waste.

This constraint places an undue burden on the production of low-carbon renewable fuel, limiting the use of viable feedstocks when even a small portion may come from federal forest origins. In order to relieve this constraint, I encourage the Environmental Protection Agency (EPA) to provide clarity about how RIN credits can be applied to mixed-origin biofuel. Specifically, please provide information about two specific options:

- (1) Proportional RIN credits that reflect the ratio of non-federal to federal biomass feedstock, and

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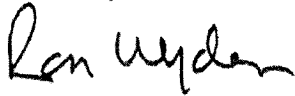
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- (2) Incorporating a *de minimis* policy that would allow for RINs crediting to biofuel that is comprised of less than a set percentage (e.g. 5%) of federal wood in the fiber supply.

These are viable approaches that take into account the reality of material mixing that can occur during pre-production processes. Insofar as existing EPA regulations apply to mixed-source woody biomass, I request your input about how Oregon constituents can receive partial RIN credits for mixed-source forest biomass feedstock.

I welcome further discussions with your agency as you consider these options, or other related options that you may come up with in response to my concerns. I look forward to your response.

Sincerely,

A handwritten signature in black ink, appearing to read "Ron Wyden". The signature is fluid and cursive, with the first name "Ron" and last name "Wyden" clearly distinguishable.

Ron Wyden
United States Senator